

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

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QUANTITATIVE LIMITATION ON THE IMPORTATION
OF CERTAIN MEATS INTO THE UNITED STATES

The following communication dated 1 November 1976, together with the text of the proclamation which is annexed hereto, are being circulated to contracting parties at the request of the United States mission.

Specifics of the Meat Import Act of 22 August 1964, were provided to the contracting parties in TN.64/NE/W/13 dated 14 March 1966. The Act includes provision for growth in imports. For the last twelve years, the United States has maintained a generous import policy under the Act and has been successful in providing a growing market for foreign suppliers under bilateral agreements. Pressure on the United States market in recent years has derived in large part from the closure of markets of other major industrial countries.

The President used his authority under the Act to set a global quota at a level 10 per cent higher than the level which would have been established automatically had the President not acted. The President used his discretionary authority in order to make certain that the export expectations of suppliers under bilateral agreements would not be frustrated. The country quotas set by the President represent a change in only the form of restraint programme and not in the level of restraints. These quotas, made necessary by unanticipated pressures on the United States market, will be administered in a manner consistent with existing understandings so as to minimize trade effects.

The global quota level is 1,233 million lb., the same as the total originally contemplated for 1976. Imposition of quotas does not reduce the amount of meat which any of the suppliers with which there are agreements will ship to the United States, since in all cases, except that of Mexico, the quota for 1976 is the same as the agreed level. For these countries, imposition of quotas does not affect their export position vis-à-vis the United States market. (The quota for Mexico, determined in

consultation with the Mexican Government, is smaller than the previously agreed United States-Mexican level but should not restrict Mexican exports; both governments agree that Mexican shipments would not in any event have reached that level.)

The global meat import quota has been divided among supplier countries as follows:

<u>Country</u>	<u>1976 Quota</u> (Million lb.)
Australia	632.2
Costa Rica	53.7
El Salvador	11.4
Dominican Republic	14.4
Guatemala	34.3
Haiti	1.9
Honduras	35.8
Mexico	52.0
New Zealand	259.8
Nicaragua	48.9
Panama	2.6
Others	86.0

Countries which do not have specific quotas but which meet United States sanitary regulations and are therefore eligible to ship under the "Other" quota are Canada, Belize, Ireland, and the United Kingdom.

The quota is for 1976 only. The United States Government is presently engaged in a study of options for 1977 meat import policy.

ANNEX

A PROCLAMATION
BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

Section 2(A) of the Act of 22 August 1964 (78 Stat. 594, 19 U.S.C. 1202 Note) (hereinafter referred to as "the Act"), declares that it is the policy of the Congress that the aggregate quantity of the articles specified in item 106-10 (relating to fresh, chilled, or frozen cattle meat) and item 106.20 (relating to fresh, chilled or frozen meat of goats and sheep (except lambs)) of the Tariff Schedules of the United States (hereinafter referred to as "meat") which may be imported into the United States in any calendar year beginning after 31 December 1964, shall not exceed a quantity to be computed as prescribed in that section (hereinafter referred to as "adjusted base quantity").

Section 2(B) of the Act provides that the Secretary of Agriculture for each calendar year after 1964 shall estimate and publish the adjusted base quantity for such calendar year and shall estimate and publish quarterly the aggregate quantity of meat which in the absence of the limitations under the Act would be imported during such calendar year (hereinafter referred to as "potential aggregate imports").

The Secretary of Agriculture, pursuant to Section 2(A) and (B) of the Act has estimated the adjusted base quantity of meat for the calendar year 1976 to be 1,120.9 million lb., and has estimated the potential aggregate imports of meat for 1976 to be 1,250 million lb.

The potential aggregate imports of meat for the calendar year 1976 as estimated by the Secretary of Agriculture exceeds 110 per cent of the adjusted base quantity of meat for the calendar year 1976 estimated by the Secretary of Agriculture and no limitation under the Act is in effect with respect to the calendar year 1976.

Section 2(C)(1) of the Act requires the President in such circumstances to limit by proclamation the total quantity of meat which may be entered or withdrawn from warehouse, for consumption, during the calendar year, to the adjusted base quantity estimated for such calendar year by the Secretary of Agriculture pursuant to Section 2(B)(1) of the Act, which is 1,120.9 million lb.

Section 2(D) of the Act provides that the President may increase the total quantity proclaimed pursuant to Section 2(C) of the Act if he determines and proclaims that such action is required by overriding economic or national security interests of the United States, giving special weight to the importance to the nation of the economic well-being of the domestic livestock industry.

Section 2(D) of the Act further provides that such increase shall be in such amount as the President determines and proclaims to be necessary to carry out the purposes of Section 2(D).

Now, therefore, I, Gerald R. Ford, President of the United States, acting under and by virtue of the authority vested in me as President and pursuant to Section 2 of the Act, do hereby proclaim as follows:

- (1) In conformity with and as required by Section 2(C) of the Act, the total quantity of the articles specified in item 106.10 (relating to fresh, chilled, or frozen cattle meat) and item 106.20 (relating to fresh, chilled or frozen meat of goats and sheep (except lambs)) of part 2B, Schedule 1 of the Tariff Schedules of the United States which may be entered, or withdrawn from warehouse, for consumption during the calendar year 1976 is limited to 1,120.9 million lb.
- (2) Pursuant to Section 2(D) of the Act it is hereby determined that an increase in the quota quantity proclaimed in paragraph (1) is required by overriding economic interests of the United States, giving special weight to the importance to the nation of the economic well-being of the domestic livestock industry, and that an increase of 112.1 million lb. in such quota quantity is necessary to carry out the purpose of such sub-section.
- (3) Pursuant to Section 2(D) of the Act, the quota quantity proclaimed in paragraph (1) is increased by 112.1 million lb., and the total quantity of the articles specified in item 106.10 (relating to fresh, chilled, or frozen cattle meat) and item 106.20 (relating to fresh, chilled, or frozen meat of goats and sheep (except lamb)) of Part 2B, Schedule 1 of the Tariff Schedules of the United States which may be entered, or withdrawn from warehouse, for consumption during the calendar year 1976 is limited to 1,233 million lb.

559300 tons.

In witness whereof, I have hereunto set my hand this ninth day of October, in the year of our Lord nineteen hundred and seventy-six and of the independence of the United States of America, the two hundredth.